



CCH FY 2020 Budget Framework



Dr Jay Shannon, CEO

Ekerete Akpan, CFO

July 26, 2019



**COOK COUNTY
HEALTH**

FY 2020 Budget Drivers

- Achieving alignment with CCH Strategic plan Impact 2020 and 2023
- Improving CCH as a provider of choice for high quality and safe care
- Sustaining FY2019 revenues by growing above inflation
- Sustaining CountyCare membership and market share
- Achieving internal cost efficiencies and improvements
 - Supply Chain initiatives
 - Revenue Cycle improvements

FY 2020 Projected Volume

Service Type	Monthly Average			Monthly Projection	Difference
	FY 2017	FY 2018	FY 2019*	FY 2020	FY20 v. FY19
Surgical Cases	1,233	1,245	1,215	1,320	9%
Emergency Visits	12,074	12,037	12,363	13,105	6%
Primary Care Visits	18,482	18,144	19,531	20,508	5%
Specialty Care Visits	20,143	21,325	28,277	29,691	5%
Deliveries	98	81	84	90	7%

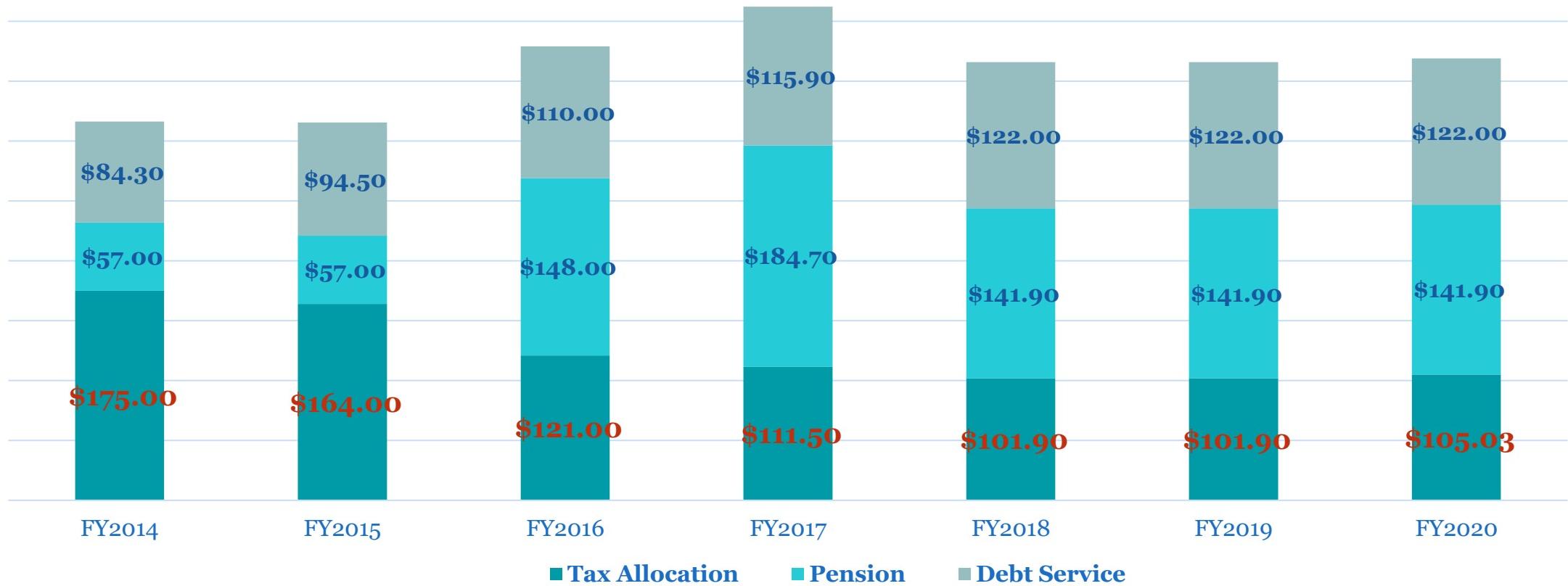
*based on first 6 months of FY 2019

FY 2020 Revenue Drivers

Revenue Drivers

- A 2% increase in CountyCare membership from FY19
- Increase Surgical capacity at Provident and Stroger
- Improve Provident capacity with Emergency Department growth and ICU
- Grow outpatient services by maximizing Specialty care at new health centers
- Achieve Internal efficiencies and improvements
 - Supply Chain initiatives to offset inflationary pressure – 5% cost savings
 - Revenue Cycle and reimbursement improvements, improved collections, denials management, charge master and billing opportunity improvements – 5% growth
 - Contracted Services savings of 5%

County Health Fund Allocation to CCH (in millions)



FY 2020 Expenditure Drivers

Expense Drivers

- Rising expenses in pharmacy (specialty drugs) and medical-surgical supplies
- Information Technology Costs for upgrades and Cerner Patient Accounting implementation
- Salary and benefits increase with current labor agreements
- Projected increase in uninsured care based on trends

Other Expense Drivers with positive impact on revenue

- Increase in CountyCare membership
- Expanded surgery, dialysis and health center capacity
- New centers at North Riverside and Blue Island
- Capital investments to improve surgical capacity

Critical Success Factors

- High quality care and patient satisfaction
- CountyCare members' use of CCH services
- Successful implementation of new Cerner Patient Accounting system and revenue cycle improvements
- Continued investments in capital /medical equipment to exceed depreciation
- Partnerships with labor, working on cost efficiencies, process and patient-centered improvements
- Improved State / County Medicaid MCO enrollment and reductions in CCH uncompensated care burden
- Managing Federal healthcare landscape and advocacy – 340B, ACA etc.

FY2019/2020 Budget (in Millions)

	FY2019 Adjusted Appropriation*	FY2019 Projected Year End	FY2020 Preliminary Proposed
Revenues	\$2,690	\$2,494	2,548
Expenses	\$2,690	\$2,598	2,548
Net Surplus/(Deficit)	\$0	\$(\$103)	\$0

**Assumes projected adjustments for CountyCare based on higher than expected membership*



FY 2020 Budget Calendar

- June 20, 2019 President's FY2019/2020 Preliminary Budget Forecast Released
 - July 09, 2019 President's Preliminary Forecast Public Hearing
 - July 17, 2019 Cook County Finance Committee Meeting – Mid-Year Budget Hearings
 - July 19, 2019 CCH Finance Committee Meeting – Budget Framework Introduced
 - July 26, 2019 CCH Full Board Meeting – Budget Framework Introduced
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- August 23, 2019 CCH Finance Committee Meeting – FY2020 Proposed Preliminary Budget Introduced
 - August, 2019 CCH Budget Public Hearings
 - August 30, 2019 CCH Board Meeting – FY2020 Budget Request for Approval
 - September 5, 2019 Cook County Board Meeting – CCH FY2020 Proposed Preliminary Budget
Introduced & Approved* **(for inclusion in Executive Budget Recommendation)**
 - October, 2019 President's FY2020 Executive Budget Recommendation Introduced
 - October–November, 2019 Cook County Public Hearings, Agency & Department Budget Review Meetings
Proposed Amendments, Annual Appropriation Bill Adopted

Questions?



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